



PRELIMINARY REPORT
CHICAGO TITLE INSURANCE COMPANY



CHICAGO TITLE COMPANY

PRELIMINARY REPORT

Dated as of: January 12, 2000 at 7:30 AM

Reference: NBU #202000035

Order No.: 201057008 - X59

Regarding: 4900 E. CONANT ST.
LONG BEACH, CA

CHICAGO TITLE COMPANY hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception in Schedule B or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in the attached list. Copies of the Policy forms are available upon request.

Please read the exceptions shown or referred to in Schedule B and the exceptions and exclusions set forth in the attached list of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

The form of policy of title insurance contemplated by this report is:

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY

Visit Us On The Web: westerndivision.ctt.com

Title Department:



CHICAGO TITLE COMPANY

700 S. FLOWER ST. #900
LOS ANGELES, CA 90017
(213)488-4300 fax:

CLARK MCKINNON
TITLE OFFICER

SCHEDULE A

Order No: 201057008 X59

Your Ref: NBU #202000035

1. The estate or interest in the land hereinafter described or referred to covered by this report is:

A FEE

2. Title to said estate or interest at the date hereof is vested in:

MCDONNELL DOUGLAS CORPORATION, A MARYLAND CORPORATION

3. The land referred to in this report is situated in the State of California, County of LOS ANGELES and is described as follows:

SEE ATTACHED DESCRIPTION

DESCRIPTION

THAT PORTION OF LOT 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF CONANT STREET, 80 FEET WIDE, AS DESCRIBED IN THE DEEDS TO COUNTY OF LOS ANGELES, RECORDED SEPTEMBER 21, 1942 AS INSTRUMENT NO. 523 AND RECORDED APRIL 21, 1941 AS INSTRUMENT NO. 1071 IN BOOK 18324 PAGE 299, BOTH OF OFFICIAL RECORDS OF SAID COUNTY, WITH A LINE THAT IS PARALLEL WITH AND DISTANT 300 FEET WESTERLY FROM THE EASTERLY LINE OF SAID LOT 52; THENCE ALONG SAID CONANT STREET (80 FEET WIDE) NORTH 89 DEGREES 53 MINUTES 48 SECONDS WEST 2224.60 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED NOVEMBER 2, 1959 AS INSTRUMENT NO. 3959, OFFICIAL RECORDS; THENCE ALONG THE EASTERLY BOUNDARY OF SAID DEED TO THE STATE OF CALIFORNIA AS FOLLOWS:

SOUTH 33 DEGREES 21 MINUTES 43 SECONDS WEST 50.42 FEET AND SOUTHEASTERLY ALONG A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1932 FEET THROUGH A CENTRAL ANGLE OF 16 DEGREES 53 MINUTES 01 SECONDS AN ARC DISTANCE OF 569.31 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 585 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF SAID HEREINABOVE MENTIONED CONANT STREET; THENCE ALONG SAID PARALLEL LINE SOUTH 89 DEGREES 53 MINUTES 48 SECONDS EAST 2087 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300 FEET WESTERLY FROM THE EASTERLY LINE OF SAID LOT 52; THENCE NORTHERLY ALONG SAID MENTIONED PARALLEL LINE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094 PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923 PAGE 236, OFFICIAL RECORDS.

SCHEDULE B

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At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in the policy form designated on the face page of this Report would be as follows:

- A 1. PROPERTY TAXES, INCLUDING ANY ASSESSMENTS COLLECTED WITH TAXES, TO BE LEVIED FOR THE FISCAL YEAR 2000-2001 THAT ARE A LIEN NOT YET DUE.
- B 2. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 1999-2000

1ST INSTALLMENT: \$82,415.95 (PAID)
2ND INSTALLMENT: \$82,415.95
PENALTY AND COST: \$8,251.60 (DUE AFTER APRIL 10)
HOMEOWNERS
EXEMPTION: \$NONE
CODE AREA: 5517
ASSESSMENT NO: 7149-005-001

- C 3. THE LIEN OF SUPPLEMENTAL OR ESCAPED ASSESSMENTS OF PROPERTY TAXES, IF ANY, MADE PURSUANT TO THE PROVISIONS OF PART 0.5, CHAPTER 3.5 OR PART 2, CHAPTER 3, ARTICLES 3 AND 4 RESPECTIVELY (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA AS A RESULT OF THE TRANSFER OF TITLE TO THE VESTEE NAMED IN SCHEDULE A; OR AS A RESULT OF CHANGES IN OWNERSHIP OR NEW CONSTRUCTION OCCURRING PRIOR TO DATE OF POLICY.

- D 4. COVENANTS, CONDITIONS AND RESTRICTIONS (BUT OMITTING THEREFROM ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, IF ANY, UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR (B) RELATES TO HANDICAP BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS) AS SET FORTH IN THE DOCUMENT.

RECORDED: JANUARY 23, 1950 AS INSTRUMENT NO. 1828, OFFICIAL RECORDS

- E AFFECTS: A PORTION OF THE LAND DESCRIBED HEREIN.

- V NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID. "ANY PERSON HOLDING AN INTEREST IN THIS PROPERTY MAY REQUEST THAT THE COUNTY RECORDER REMOVE THE RESTRICTIVE LANGUAGE PURSUANT TO SUBDIVISION (C) OF SECTION 12956.1 OF THE GOVERNMENT CODE."

SCHEDULE B
(continued)

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F 5. AN UNRECORDED LICENSE AGREEMENT TO KAISER-FRAZER CORPORATION, OVER A PORTION OF SAID LAND, AS DISCLOSED BY THAT CERTAIN CONTRACT OF EXCHANGE AND SALE DATED OCTOBER 4, 1961 BY AND BETWEEN THE UNITED STATES OF AMERICA AND DOUGLAS AIRCRAFT COMPANY, INC., A DELAWARE CORPORATION, RECORDED OCTOBER 5, 1961 AS INSTRUMENT NO. 1647, OFFICIAL RECORDS, AND SHOWN IN EXHIBIT "A" ATTACHED THERETO.

G REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

H 6. COVENANTS, CONDITIONS AND RESTRICTIONS (BUT OMITTING THEREFROM ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, IF ANY, UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR (B) RELATES TO HANDICAP BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS) AS SET FORTH IN THE DOCUMENT REFERRED TO IN THE NUMBERED ITEM LAST ABOVE SHOWN.

I 7. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

GRANTED TO: THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, A PUBLIC CORPORATION
PURPOSE: WATER MAIN
RECORDED: DECEMBER 19, 1967 AS INSTRUMENT NO. 2640, OFFICIAL RECORDS
AFFECTS: A PORTION OF LAND AS DESCRIBED THEREIN

J REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

K 8. COVENANTS, CONDITIONS AND RESTRICTIONS (BUT OMITTING THEREFROM ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, IF ANY, UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR (B) RELATES TO HANDICAP BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS) AS SET FORTH IN THE DOCUMENT REFERRED TO IN THE NUMBERED ITEM LAST ABOVE SHOWN.

L 9. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

GRANTED TO: LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, A BODY CORPORATE AND POLITIC
PURPOSE: STORM DRAIN
RECORDED: APRIL 8, 1970 AS INSTRUMENT NO. 2598, OFFICIAL RECORDS
AFFECTS: A PORTION OF SAID LAND

SCHEDULE B
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M REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

N 10. COVENANTS, CONDITIONS AND RESTRICTIONS (BUT OMITTING THEREFROM ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN, IF ANY, UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR (B) RELATES TO HANDICAP BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS) AS SET FORTH IN THE DOCUMENT.

RECORDED: DECEMBER 24, 1981 AS INSTRUMENT NOS. 81-1260432 AND
81-1260433, OFFICIAL RECORDS

O 11. A CONDITIONAL CERTIFICATE OF COMPLIANCE

DATED: DECEMBER 15, 1981
EXECUTED BY: CITY OF LONG BEACH
COMPLIANCE NO.: CC-45-81
RECORDED: DECEMBER 24, 1981 AS INSTRUMENT NO. 81-1260437,
OFFICIAL RECORDS
CONDITIONS: AS PROVIDED THEREIN

P 12. A CONDITIONAL CERTIFICATE OF COMPLIANCE

DATED: AUGUST 24, 1983
EXECUTED BY: CITY OF LONG BEACH
COMPLIANCE NO.: CC-18-83
RECORDED: SEPTEMBER 1, 1983 AS INSTRUMENT NO. 83-1025188,
OFFICIAL RECORDS
CONDITIONS: AS PROVIDED THEREIN

Q 13. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT

GRANTED TO: SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION
PURPOSE: PUBLIC UTILITIES AND INCIDENTAL PURPOSES
RECORDED: APRIL 23, 1984 AS INSTRUMENT NO. 84-485792, OFFICIAL
RECORDS
AFFECTS: THAT PORTION OF SAID LAND LYING WITHIN THE SOUTHERLY
25 FEET OF THE NORTHERLY 195 FEET OF THE WESTERLY 25
FEET OF THE EASTERLY 325 FEET OF LOT 52 OF TRACT NO.
8084

R 14. A DOCUMENT ENTITLED "WAIVER AND CONSENT", DATED MARCH 3, 1992 EXECUTED BY MCDONNELL DOUGLAS CORPORATION, SUBJECT TO ALL THE TERMS, PROVISIONS AND CONDITIONS THEREIN CONTAINED, RECORDED MARCH 5, 1992 AS INSTRUMENT NO.

SCHEDULE B (continued)

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92-363156, OFFICIAL RECORDS.

15. A FINANCING STATEMENT FILED IN THE OFFICE OF THE COUNTY RECORDER, SHOWING

DEBTOR: MCDONNEL DOUGLAS CORPORATION
 SECURED PARTY: THE CIT GROUP/EQUIPMENT FINANCING, INC.
 RECORDED: MARCH 5, 1992 AS INSTRUMENT NO. 92-353158, OFFICIAL RECORDS
 PROPERTY COVERED: AS PROVIDED THEREIN

A CHANGE TO THE ABOVE FINANCING STATEMENT WAS FILED

RECORDED: MARCH 7, 1997 AS INSTRUMENT NO. 97-343469, OFFICIAL RECORDS
 NATURE OF CHANGE: CONTINUATION

16. ANY CLAIMS FOR MECHANICS' LIENS ON SAID LAND THAT MAY BE RECORDED, BY REASON OF A WORK OF IMPROVEMENT THAT IS DISCLOSED BY A NOTICE OF COMPLETION

RECORDED: DECEMBER 9, 1999 AS INSTRUMENT NO. 99-2271414

17. ANY CLAIMS FOR MECHANICS' LIENS ON SAID LAND THAT MAY BE RECORDED, BY REASON OF A WORK OF IMPROVEMENT THAT IS DISCLOSED BY A NOTICE OF COMPLETION

RECORDED: DECEMBER 29, 1999 AS INSTRUMENT NO. 99-2384828

18. ANY CLAIMS FOR MECHANICS' LIENS ON SAID LAND THAT MAY BE RECORDED, BY REASON OF A WORK OF IMPROVEMENT THAT IS DISCLOSED BY A NOTICE OF COMPLETION

RECORDED: JANUARY 12, 2000 AS INSTRUMENT NO. 00-43484

19. A LIEN FOR UNSECURED PROPERTY TAXES FILED BY THE TAX COLLECTOR OF THE COUNTY SHOWN, FOR THE AMOUNT SET FORTH, AND ANY OTHER AMOUNTS DUE.

COUNTY: LOS ANGELES
 FISCAL YEAR: 1990
 TAXPAYER: OXFORD FINANCIAL CORP
 MCDONNELL DOUGLAS CORP
 COUNTY IDENTIFICATION NUMBER: 90/49918033

SCHEDULE B (continued)

Order No: 201057008 X59

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AMOUNT: \$153.67
RECORDED: AUGUST 4, 1992 AS INSTRUMENT NO. 92-1428935, OFFICIAL RECORDS

- z 20. ANY CLAIM, WHICH ARISES OUT OF THE TRANSACTION VESTING IN THE INSURED THE ESTATE OR INTEREST INSURED BY THIS POLICY, BY REASON OF THE OPERATION OF FEDERAL BANKRUPTCY, STATE INSOLVENCY, OR SIMILAR CREDITORS' RIGHTS LAWS, THAT IS BASED ON:
- (i) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A FRAUDULENT CONVEYANCE OR FRAUDULENT TRANSFER; OR
 - (ii) THE TRANSACTION CREATING THE ESTATE OR INTEREST INSURED BY THIS POLICY BEING DEEMED A PREFERENTIAL TRANSFER EXCEPT WHERE THE PREFERENTIAL TRANSFER RESULTS FROM THE FAILURE:
 - (A) TO TIMELY RECORD THE INSTRUMENT OF TRANSFER; OR
 - (B) OF SUCH RECORDATION TO IMPART NOTICE TO A PURCHASER FOR VALUE OR A JUDGMENT OR LIEN CREDITOR.

AA NOTE NO. 1: YOUR OPEN ORDER REQUEST INDICATES THAT A CORPORATION FORMED OUTSIDE OF THE JURISDICTION OF THE STATE OF CALIFORNIA WILL BE ACQUIRING, ENCUMBERING OR CONVEYING THE PROPERTY IN YOUR TRANSACTION. THEREFORE, IT IS THE REQUIREMENT OF THIS COMPANY THAT PRIOR TO THE ISSUANCE OF OUR POLICY OF TITLE INSURANCE, WE BE FURNISHED AN OPINION BY INDEPENDENT COUNSEL AUTHORIZED TO PRACTICE LAW IN THE FOREIGN JURISDICTION, AT NO COST TO THIS COMPANY, WHICH OPINION SHALL MAKE THE FOLLOWING REPRESENTATIONS:

- (1) THAT COUNSEL HAS REVIEWED AND STUDIED THE ARTICLES OF INCORPORATION AND ANY OTHER PERTINENT DOCUMENTS IN LIGHT OF THE APPLICABLE LAWS OF THAT JURISDICTION;
- (2) THAT THE CORPORATION WAS PROPERLY INCORPORATED IN THAT JURISDICTION;
- (3) THAT THE CORPORATION IS PRESENTLY IN GOOD STANDING IN THAT JURISDICTION;
- (4) THAT THE CORPORATION HAS BOTH THE POWER AND AUTHORITY TO OWN PROPERTY IN THE UNITED STATES/STATE OF CALIFORNIA, BOTH UNDER ITS ARTICLES AND THE LAWS OF THAT JURISDICTION;
AND
- (5) THAT THE NAMED PERSON(S) WHO WILL EXECUTE DOCUMENTS (IF ANY) ON BEHALF OF THE CORPORATION IS/ARE AUTHORIZED TO DO SO.

SCHEDULE B
(continued)

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AB NOTE NO. 2: WHEN THIS TITLE ORDER CLOSES AND IF CHICAGO TITLE IS HANDLING LOAN PROCEEDS THROUGH SUB-ESCROW, ALL TITLE CHARGES AND EXPENSES NORMALLY BILLED, WILL BE DEDUCTED FROM THOSE LOAN PROCEEDS (TITLE CHARGES AND EXPENSES WOULD INCLUDE TITLE PREMIUMS, ANY TAX OR BOND ADVANCES, DOCUMENTARY TRANSFER TAX AND RECORDING FEES, ETC.).

AC NOTE NO. 3: IF THIS COMPANY IS REQUESTED TO DISBURSE FUNDS IN CONNECTION WITH THIS TRANSACTION, CHAPTER 598, STATUTES OF 1989 MANDATES HOLD PERIODS FOR CHECKS DEPOSITED TO ESCROW OR SUB-ESCROW ACCOUNTS. THE MANDATORY HOLD PERIOD FOR CASHIER'S CHECKS, CERTIFIED CHECKS AND TELLER'S CHECKS IS ONE BUSINESS DAY AFTER THE DAY DEPOSITED. OTHER CHECKS REQUIRE A HOLD PERIOD OF FROM TWO TO FIVE BUSINESS DAYS AFTER THE DAY DEPOSITED. IN THE EVENT THAT THE PARTIES TO THE CONTEMPLATED TRANSACTION WISH TO RECORD PRIOR TO THE TIME THAT THE FUNDS ARE AVAILABLE FOR DISBURSEMENT (AND SUBJECT TO COMPANY APPROVAL), THE COMPANY WILL REQUIRE THE PRIOR WRITTEN CONSENT OF THE PARTIES. UPON REQUEST, A FORM ACCEPTABLE TO THE COMPANY AUTHORIZING SAID EARLY RECORDING MAY BE PROVIDED TO ESCROW FOR EXECUTION.

WIRE TRANSFERS

THERE IS NO MANDATED HOLD PERIOD FOR FUNDS DEPOSITED BY CONFIRMED WIRE TRANSFER. THE COMPANY MAY DISBURSE SUCH FUNDS THE SAME DAY.

CHICAGO TITLE WILL DISBURSE BY WIRE (WIRE-OUT) ONLY COLLECTED FUNDS OR FUNDS RECEIVED BY CONFIRMED WIRE (WIRE-IN). THE FEE FOR EACH WIRE-OUT IS \$25.00. THE COMPANY'S WIRE-IN INSTRUCTIONS ARE:

WIRE-IN INSTRUCTIONS FOR BANK OF AMERICA:

BANK: BANK OF AMERICA
1850 GATEWAY BLVD.
CONCORD, CA 94520

BANK ABA: 121000358

ACCOUNT NAME: CHICAGO TITLE COMPANY
BROADWAY PLAZA OFFICE

ACCOUNT NO.: 12351-50737

FOR CREDIT TO: CHICAGO TITLE COMPANY
700 SOUTH FLOWER, SUITE 900
LOS ANGELES, CA 90017

FURTHER CREDIT TO: ORDER NO.: 201057008

PLATS

SCHEDULE B
(continued)

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CM/JDF

As part of the settlement of a class action lawsuit, we are required to place this notification in all preliminary reports:

IF YOU BOUGHT, SOLD OR REFINANCED A HOME (RESIDENTIAL REAL PROPERTY) IN CALIFORNIA BETWEEN JULY 1, 1989 AND FEBRUARY 28, 1997, PLEASE READ THE FOLLOWING:

Pursuant to a Settlement Agreement in a class action lawsuit filed in the Superior Court for Los Angeles County, a settlement agreement has been entered into that provides persons who bought, sold or refinanced residential real property in the State of California between July 1, 1989 and February 28, 1997, with certain rights. If you are such a person and you are now engaged in an escrow transaction with Chicago Title Company, Gateway Title Company, Benefit Land Title Company or Fidelity National Title Insurance Company, you have the following rights:

If one of these companies previously handled a residential escrow transaction for you that involved residential real property in which a mortgage, promissory note, or similar debt instrument, repayment of which was secured by a duly recorded deed of trust, was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered to one of those title companies for recording but was inadvertently not recorded, you have the right to request that a release of obligation or reconveyance be recorded in accordance with the terms of the Settlement Agreement.

To obtain this right you must:

(1) Establish to the satisfaction of the title company that you actually closed an escrow between July 1, 1989 and February 28, 1997, which was handled by one of the above-listed title insurance companies, in which a mortgage, promissory note, or similar debt instrument secured by a duly recorded deed of trust was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered for recordation to the title company that handled the prior transaction. Proof of said transaction shall be made by presenting a closing statement, preliminary report, title insurance policy or a paid escrow invoice which identifies you and the prior deed of trust; and

(2) Request in writing the recording of a reconveyance or release of obligation in the event that one inadvertently had not been previously recorded in the escrow transaction previously handled by one of the above-named title companies.

LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS**CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990****EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the ability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**EXCLUSIONS**

In addition to the exceptions in Schedule B, you are not insured against loss, costs, attorney's fees and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or governmental regulation. This includes building and zoning ordinances and also laws and regulations concerning:

land use	land division
improvement on the land	environmental protection

This exclusion does not apply to the violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
 - a notice of exercising the right appears in the public records on the Policy Date
 - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
 - that are created, allowed, or agreed to by you
 - that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
 - that result in no loss to you
 - that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - to any land outside the area specially described and referred to in item 3 of Schedule A, or
 - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

EXCEPTIONS FROM COVERAGE

In addition to the Exceptions, you are not insured against loss, costs, attorneys' fees and expenses resulting from:

1. Someone claiming an interest in your land by reason of:
 - A. Easements not shown in the public records
 - B. Boundary disputes not shown in the public records
 - C. Improvements owned by your neighbor placed on your land
2. If, in addition to a single family residence, your existing structure consists of one or more Additional Dwelling Unit, Item 12 of Covered Title Risks does not insure you against loss, costs, attorneys' fees, and expenses resulting from:
 - A. The forced removal of any Additional Dwelling Unit, or,
 - B. The forced conversion of any Additional Dwelling Unit back to its original use,

if said Additional Dwelling Unit was either constructed or converted to use as a dwelling unit in violation of any law or government regulation.

AMERICAN LAND TITLE ASSOCIATION HOMEOWNER'S POLICY OF TITLE INSURANCE (10-17-98)**EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorney's fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:

a. building	c. Land use	e. Land division
b. zoning	d. improvements on the Land	f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17, or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value of Your Title.
6. Lack of a right:
 - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
WITH ALTA ENDORSEMENT - FORM 1 COVERAGE
 and
AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-17-92)
WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim or priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)
and
AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-17-92)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

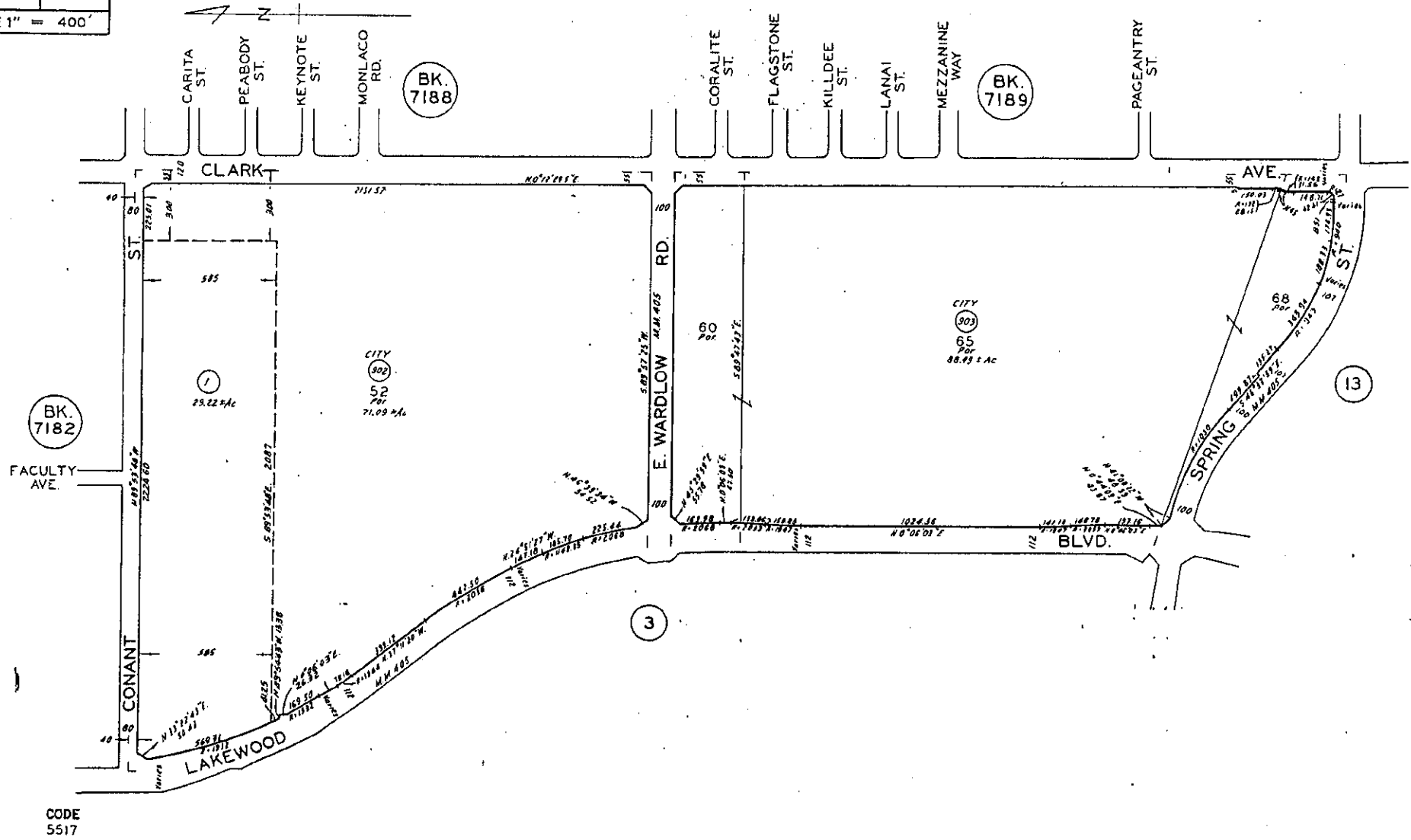
1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

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This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.



FOR PREV. ASSM'T SEE:
7149 - 11 & 12

TRACT NO. 8084

M.B. 171-24-30

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.